

**Housing Authority of the City of Minden
Minden, Louisiana**

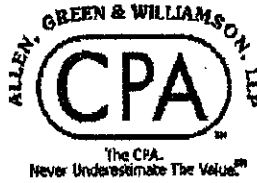
**Annual Financial Report
As of and for the Year Ended June 30, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/2/08

**Housing Authority of the City of Minden
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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Housing Authority of the City of Minden
Minden, Louisiana

We have audited the accompanying financial statements of each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Minden, as of and for the year ended June 30, 2007, which collectively comprise the Housing Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the Housing Authority, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2007, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis as listed in the table of contents, is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority's basic financial statements. The accompanying information identified in the table of contents as other supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Also, the schedule of expenditures of federal awards, which is required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. Also, the accompanying other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2007

REQUIRED SUPPLEMENTAL INFORMATION

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Housing Authority of the City of Minden

Management's Discussion and Analysis (MD&A)

June 30, 2007

As management of the Housing Authority, we offer readers of the Housing Authority's financial statements this narrative overview and analysis of the financial activities of the Housing Authority for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Housing Authority exceeded its liabilities at the close of the most recent fiscal year by \$5,753,495 (*net assets*). Of this amount, \$1,106,508 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Housing Authority's enterprise funds reported combined ending net assets of \$5,753,495, an increase of \$131,356 in comparison with the prior year. Approximately nineteen percent of this total amount is *available for spending* at the Housing Authority's discretion (*unrestricted net assets*).
- At the end of the current fiscal year, unrestricted net assets for the general fund was \$681,978, or fifty-four percent of total general fund operating expenses for the fiscal year. Unrestricted net assets of the Section 8 fund of \$284,601 is sixty-two percent of total Section 8 operating expenses for the year. Unrestricted net assets of the management fees fund of \$139,929 or two hundred ninety-nine percent of total operating expenses for the year.
- Net assets of the general fund increased \$35,342 from the prior year. Net assets of the Section 8 fund increased \$79,702. The management fees fund net assets increased \$16,312.

OVERVIEW OF THE FINANCIAL STATEMENTS This discussion and analysis is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority's basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Housing Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

FUND FINANCIAL STATEMENTS A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Housing Authority are reported as proprietary and fiduciary fund types.

Housing Authority of the City of Minden

Management's Discussion and Analysis (MD&A)

June 30, 2007

USING THIS ANNUAL REPORT The Housing Authority's annual report consist of financial statements that show information about the Housing Authority's most significant funds – such as the Housing Authority's general fund tenant based Section 8 fund and management fees fund

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

Fund Financial Statements

Notes to the Basic Financial Statements

Supplemental Information

Schedule of Compensation Paid Board Members Financial Data Schedule

Our auditor has provided assurance in the independent auditor's report located immediately preceding this Management's Discussion and Analysis that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Housing Authority's enterprise funds use the following accounting approach:

Proprietary funds – All of the Housing Authority's services are reported in enterprise funds. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which together with the maintenance of equity, is an important financial indication.

Housing Authority of the City of Minden

Management's Discussion and Analysis (MD&A)

June 30, 2007

The Housing Authority as Trustee

Reporting the Housing Authority's Fiduciary Responsibilities

The Housing Authority is the trustee, or fiduciary, for its Webster Literacy and FAME Resident Council funds. All of the Housing Authority's fiduciary activities are reported in the Statements of Fiduciary Assets and Liabilities. We exclude these activities from the Housing Authority's other financial statements because the Housing Authority cannot use these assets to finance its operations. The Housing Authority is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

FINANCIAL ANALYSIS The Housing Authority's net assets were \$5,753 at June 30, 2007. Of this amount, \$1,107 was unrestricted. As we noted earlier, the Housing Authority uses funds to help it control and manage money for particular purposes. The general fund is used to account for the public housing and capital fund programs. Section 8 vouchers are accounted for in the section 8 fund. Our analysis below focuses on the net assets and the change in net assets of the Housing Authority as a whole.

Table 1
Net Assets
(in thousands)
June 30,

	<u>2007</u>	<u>2006</u>	Variance Favorable (Unfavorable)
Current assets	\$1,219	\$1,242	\$(23)
Restricted current assets	23	23	0
Capital assets, net	<u>4,647</u>	<u>4,561</u>	<u>86</u>
Total assets	5,889	5,826	63
Current liabilities	77	148	71
Current liabilities payable from current restricted assets	23	23	0
Long-term liabilities	<u>36</u>	<u>33</u>	<u>(3)</u>
Total liabilities	136	204	68
Net assets			
Invested in capital assets, net of related debt	4,647	4,561	86
Unrestricted	<u>1,107</u>	<u>1,061</u>	<u>45</u>
Total net assets	<u>\$5,753</u>	<u>\$5,622</u>	<u>\$131</u>

Housing Authority of the City of Minden

Management's Discussion and Analysis (MD&A)
June 30, 2007

Table 2
Changes in Net Assets
(in thousands)
For The Years Ended June 30,

	<u>2007</u>	<u>2006</u>	Variance Favorable (Unfavorable)
Revenues/capital contributions:			
Operating revenues			
Dwelling rental	\$ 380	\$ 350	\$ 30
Other	140	114	26
Federal grants	929	987	(58)
Nonoperating revenues			
Interest earnings	12	10	2
Gain on disposition of equipment	6	0	6
Capital contributions	<u>429</u>	<u>687</u>	<u>(258)</u>
Total revenues/capital contributions	<u>1,896</u>	<u>2,148</u>	<u>(252)</u>
Expenses:			
Operating expenses			
Administration	387	336	(51)
Tenant services	2	0	(2)
Utilities	60	69	9
Ordinary maintenance and operations	418	335	(83)
General expenses	117	109	(8)
Housing assistance payments	385	450	65
Depreciation	<u>396</u>	<u>391</u>	<u>(5)</u>
Total expenses	<u>1,765</u>	<u>1,690</u>	<u>(75)</u>
Increase (decrease) in net assets	<u>\$ 131</u>	<u>\$ 458</u>	<u>\$(327)</u>

Total revenues decreased by \$252 due primarily to a decrease in capital contribution grants of \$258.

Total expenses increased \$75 due primarily to an increase in administration and ordinary maintenance and operations; however, housing assistance payments decreased for the year.

Housing Authority of the City of Minden

Management's Discussion and Analysis (MD&A)
June 30, 2007

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2007, the Housing Authority had \$4,647 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$86, or 2% from last year. See Note 4 to the financial statements for more detail on capital assets.

Capital Assets (in thousands) June 30,			
	<u>2007</u>	<u>2006</u>	Variance Favorable (Unfavorable)
Land	\$ 155	\$ 155	\$ 0
Site improvements and buildings	3,979	3,571	408
Furniture and equipment	177	168	9
Construction in progress	<u>336</u>	<u>667</u>	<u>(331)</u>
Totals	<u>\$4,647</u>	<u>\$4,561</u>	<u>\$ 86</u>

No debt was issued for these additions.

Debt

Our long-term debt includes accrued annual and sick leave of \$45. We present more detail about our long-term liabilities in the Note 7 to the financial statements.

ECONOMIC FACTORS The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the Federal budget than by local economic conditions.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Reese Hood, Executive Director, at the Housing Authority of the City of Minden, 1209 East Street, Minden, Louisiana 71055, telephone number (318) 377-1077.

Housing Authority of the City of Minden

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF MINDEN

**ENTERPRISE FUNDS
Balance Sheet
June 30, 2007**

Statement A

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>TOTAL</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 480,121	\$ 265,848	\$ 142,500	\$ 868,469
Investments	222,095	38,045	0	260,140
Receivables, net of allowance of \$45,632	5,158	506	0	5,664
Interfund receivable	12,077	0	0	12,077
Prepaid items and other assets	58,154	0	0	58,154
Inventory	14,847	0	0	14,847
Restricted Assets				
Cash and cash equivalents - tenant deposits	<u>22,775</u>	<u>0</u>	<u>0</u>	<u>22,775</u>
Total Current Assets	<u>795,227</u>	<u>304,399</u>	<u>142,500</u>	<u>1,242,126</u>
Capital Assets, net				
Land and construction in progress	490,941	0	0	490,941
Buildings and equipment (net)	<u>4,130,893</u>	<u>25,153</u>	<u>0</u>	<u>4,156,046</u>
Total Capital Assets, net	<u>4,621,834</u>	<u>25,153</u>	<u>0</u>	<u>4,646,987</u>
TOTAL ASSETS	<u>\$ 5,417,061</u>	<u>\$ 329,552</u>	<u>\$ 142,500</u>	<u>\$ 5,889,113</u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF MINDEN

**ENTERPRISE FUNDS
Balance Sheet
June 30, 2007**

Statement A

	GENERAL	TENANT BASED SECTION 8	MANAGEMENT FEES	TOTAL
LIABILITIES				
Current Liabilities				
Accounts payable	\$ 37,177	\$ 1,635	\$ 0	\$ 38,812
Interfund payable	0	9,506	2,571	12,077
Accrued wages and payroll taxes	17,603	256	0	17,859
Deferred revenue and other liabilities	8,276	0	0	8,276
Current Liabilities Payable From				
Current Restricted Assets				
Deposits due others	<u>22,775</u>	<u>0</u>	<u>0</u>	<u>22,775</u>
Total Current Liabilities	<u>85,831</u>	<u>11,397</u>	<u>2,571</u>	<u>99,799</u>
Noncurrent Liabilities				
Other noncurrent liabilities	0	4,291	0	4,291
Compensated absences payable	<u>27,418</u>	<u>4,110</u>	<u>0</u>	<u>31,528</u>
Total Noncurrent Liabilities	<u>27,418</u>	<u>8,401</u>	<u>0</u>	<u>35,819</u>
Total Liabilities	<u>113,249</u>	<u>19,798</u>	<u>2,571</u>	<u>135,618</u>
NET ASSETS				
Invested in capital assets, net of related debt	4,621,834	25,153	0	4,646,987
Unrestricted	<u>681,978</u>	<u>284,601</u>	<u>139,929</u>	<u>1,106,508</u>
NET ASSETS	<u>5,303,812</u>	<u>309,754</u>	<u>139,929</u>	<u>5,753,495</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,417,061</u>	<u>\$ 329,552</u>	<u>\$ 142,500</u>	<u>\$ 5,889,113</u>

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

City of Minden



HOUSING AUTHORITY OF THE CITY OF MINDEN

**ENTERPRISE FUNDS
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For the Year Ended June 30, 2007**

Statement B

	GENERAL	TENANT BASED SECTION 8	MANAGEMENT FEES	TOTAL
OPERATING REVENUES				
Dwelling rental	\$ 380,348	\$ 0	\$ 0	\$ 380,348
Other	72,221	4,249	62,999	139,469
Federal grants	402,359	526,847	0	929,206
Total operating revenues	854,928	531,096	62,999	1,449,023
OPERATING EXPENSES				
Administration	270,580	69,919	46,748	387,227
Tenant services	1,876	0	0	1,876
Utilities	59,897	0	0	59,897
Ordinary maintenance & operations	418,356	0	0	418,356
General expenses	116,612	343	0	116,955
Housing assistance payments	0	384,617	0	384,617
Depreciation and amortization	390,709	5,158	0	395,867
Total operating expenses	1,258,010	460,037	46,748	1,764,795
Income (loss) from Operations	(403,082)	71,059	16,251	(315,772)
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	9,657	2,224	61	11,942
Gain (loss) on disposition of equipment	0	6,419	0	6,419
Total nonoperating revenues (expenses)	9,657	8,643	61	18,361
NET INCOME (Loss) before capital contributions	(393,425)	79,702	16,312	(297,411)
Capital contributions	428,767	0	0	428,767
Change in net assets	35,342	79,702	16,312	131,356
NET ASSETS AT BEGINNING OF YEAR	5,268,470	230,052	123,617	5,622,139
NET ASSETS AT END OF YEAR	\$ 5,303,812	\$ 309,754	\$ 139,929	\$ 5,753,495

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF MINDEN

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2007**

Statement C

	<u>GENERAL</u>	<u>TENANT BASED SECTION 8</u>	<u>MANAGEMENT FEES</u>	<u>TOTALS</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Rental receipts	\$ 382,294	\$ 0	\$ 0	\$ 382,294
Other receipts	97,423	4,249	62,999	164,671
Payments to vendors	(611,491)	(30,877)	0	(642,368)
Payments to employees	(338,224)	(34,124)	0	(372,348)
Other receipts (payments)	0	0	(46,297)	(46,297)
Payments to private landlords	0	(384,617)	0	(384,617)
Federal grants	470,546	526,847	0	997,393
	<u>548</u>	<u>81,478</u>	<u>16,702</u>	<u>98,728</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase capital assets	(456,104)	(25,950)	0	(482,054)
Contributed capital	428,767	0	0	428,767
Sale of capital assets	0	7,000	0	7,000
	<u>(27,337)</u>	<u>(18,950)</u>	<u>0</u>	<u>(46,287)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES				

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF MINDEN

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended June 30, 2007**

Statement C

	GENERAL	TENANT BASED SECTION 8	MANAGEMENT FEES	TOTALS
CASH FLOW FROM INVESTING ACTIVITIES:				
Interest and dividends	\$ 9,548	\$ 2,134	\$ 61	\$ 11,743
Purchase investments	(8,213)	(1,520)	0	(9,733)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,335</u>	<u>614</u>	<u>61</u>	<u>2,010</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(25,454)	63,142	16,763	54,451
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>508,350</u>	<u>202,706</u>	<u>125,737</u>	<u>836,793</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>482,896</u>	<u>265,848</u>	<u>142,500</u>	<u>891,244</u>
RECONCILIATION TO BALANCE SHEET				
Cash and cash equivalents	460,121	265,848	142,500	868,469
Restricted assets - Tenant deposits	<u>22,775</u>	<u>0</u>	<u>0</u>	<u>22,775</u>
	<u>482,896</u>	<u>265,848</u>	<u>142,500</u>	<u>891,244</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	(403,082)	71,059	16,251	(315,772)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	390,709	5,158	0	395,867
Change in assets and liabilities:				
Receivables, net	100,644	0	0	100,644
Due from other funds	(5,309)	0	0	(5,309)
Inventories	(4,594)	0	0	(4,594)
Prepaid items	(4,180)	0	0	(4,180)
Accounts payables	(76,455)	(186)	0	(76,641)
Accrued expenses	590	53	0	643
Deferred revenue	(564)	0	0	(564)
Due to other funds	0	4,858	451	5,309
Deposits due to others	(225)	0	0	(225)
Compensated absences	<u>3,014</u>	<u>536</u>	<u>0</u>	<u>3,550</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 548</u>	<u>\$ 81,478</u>	<u>\$ 16,702</u>	<u>\$ 98,728</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF MINDEN

FIDUCIARY FUND
STATEMENT OF ASSETS AND LIABILITIES
June 30, 2007

Statement D

AGENCY
FUND

ASSETS

Cash and cash equivalents

\$ 8,435

TOTAL ASSETS

8,435

LIABILITIES

Deposits due others

8,435

TOTAL LIABILITIES

\$ 8,435

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**Housing Authority of the City of Minden
Notes to the Basic Financial Statements**

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**Housing Authority of the City of Minden
Notes to the Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of the City of Minden (the Housing Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing authorities are chartered as public corporations under the laws LSA-R.S. 40:391 of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority of the City of Minden is governed by a five-member board of commissioners. The members, appointed by the Honorable Mayor of the City of Minden, serve a staggered term of five years.

The Housing Authority has the following units:

	<u># of Units</u>
PHA Owned Housing	247
Section 8	
Housing Choice Vouchers	137

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a *primary government*, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, set rates or charges, and issue bonded debt.

GASB Statement No. 14 defines a related organization as an organization for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable. According to this definition, the Housing Authority is a related organization of the City of Minden since the City appoints a voting majority of the Housing Authority's governing board. The City is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Minden. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Minden.

Certain units of local government over which the Housing Authority exercises no oversight responsibility, such as the school board, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Housing Authority. In addition, the accompanying financial statements do not include various resident associations which are legally separate entities.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

**Housing Authority of the City of Minden
Notes to the Basic Financial Statements**

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the government.
2. Organizations for which the government does not appoint a voting majority but are fiscally dependent on the government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that the following component unit should be considered as part of the Housing Authority reporting entity.

Minden Housing Authority Development Company, LLC is a legally separate entity. The Board is the same as the Board of Commissioners of the Housing Authority. Based on the above, it has been determined that the Corporation is a component unit of the Housing Authority and should be included in the Housing Authority's financial statements through blended presentation. The Corporation does not issue separate financial statements.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the Housing Authority are classified in two categories: proprietary and fiduciary.

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

The general fund accounts for the transactions of the public housing low rent program and the capital fund program. The tenant based Section 8 fund accounts for the Section 8 Voucher program. The other enterprise fund accounts for management fees collected.

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the Housing Authority. The Webster literacy grant fund and the FAME resident council fund are agency funds which account for assets held by the Housing Authority as an agent.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and

**Housing Authority of the City of Minden
Notes to the Basic Financial Statements**

maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to residents. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

D. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at fair value except for the following which are required/permitted as per GASB Statement No. 31:

1. Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.
2. The Housing Authority reported at amortized cost money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. INVENTORY AND PREPAID ITEMS All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

H. CAPITAL ASSETS Fixed assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$300 with a useful life of one year or more. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's

**Housing Authority of the City of Minden
Notes to the Basic Financial Statements**

estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	40 years
Office equipment (other than computers)	5 years
Computers	3 years
Automobiles and trucks	7 years

I. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to 300 hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

J. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used for when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

K. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS The Housing Authority has reported their investments with a maturity at time of purchase of one year or less at amortized costs.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

Credit Rate Risk: The Housing Authority's investments consist of Certificates of Deposits which do not have credit ratings; however, the Housing Authority's policy does not address credit rate risk.

Custodial Credit Risk-Deposits and Investments: In this case, this is the risk that in the event of a bank failure, the government's deposits may be returned to it. As of June 30, 2007, the Housing Authority bank balance of \$1,186,341, in which \$964,016 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Housing Authority's name. Even though the pledge securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request.

Housing Authority of the City of Minden
Notes to the Basic Financial Statements

NOTE 3 - RECEIVABLES The receivables of \$5,664, net of allowance for doubtful accounts of \$45,632, at June 30, 2007, are as follows:

<u>Class of Receivables</u>	<u>General</u>	<u>Tenant Based Section 8</u>	<u>Total</u>
HUD	\$ 352	\$ -	\$ 352
Residents	4,273	-	4,273
Interest	533	506	1,039
Total	<u>\$ 5,158</u>	<u>\$ 506</u>	<u>\$ 5,664</u>

NOTE 4 - CAPITAL ASSETS The changes and balances in capital assets are as follows:

	<u>Balance Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Ending</u>
Non-depreciable assets:				
Land	\$ 155,540	\$ -	\$ -	\$ 155,540
Construction in progress	666,876	428,767	760,242	335,401
Depreciable assets:				
Site improvements	348,034	-	-	348,034
Buildings and building improvements	10,783,028	760,242	-	11,543,270
Furniture and equipment	740,868	53,286	27,290	766,864
Total	<u>12,694,346</u>	<u>1,242,295</u>	<u>787,532</u>	<u>13,149,109</u>
Less accumulated depreciation:				
Site improvements	348,034	-	-	348,034
Buildings and building improvements	7,211,890	352,262	-	7,564,152
Furniture and equipment	573,041	43,602	26,707	589,936
Total	<u>8,132,965</u>	<u>395,864</u>	<u>26,707</u>	<u>8,502,122</u>
Capital assets, net	<u>\$ 4,561,381</u>	<u>\$ 846,431</u>	<u>\$ 760,825</u>	<u>\$ 4,646,987</u>

NOTE 5 - RETIREMENT SYSTEM The Housing Authority participates in the Housing Renewal and Local Agency Retirement Plan, administered by Broussard, Bush & Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing six months of continuous and uninterrupted employment.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to five percent of each participant's basic (excludes overtime) compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. The Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority.

The Housing Authority's total payroll for year ended June 30, 2007, was \$388,371. The Housing Authority's contributions were calculated using the base salary amount of \$373,051. Both the Housing Authority and the covered employees made the required contributions of \$18,634 for the year ended June 30, 2007.

Housing Authority of the City of Minden
Notes to the Basic Financial Statements

NOTE 6 - ACCRUED WAGES AND PAYROLL TAXES The payables at June 30, 2007, are as follows:

	General	Tenant Based Section 8	Total
Payroll deductions and taxes	\$ 4,597	\$ 256	\$ 4,853
Compensated absences - short-term	13,006	-	13,006
Total	<u>\$ 17,603</u>	<u>\$ 256</u>	<u>\$ 17,859</u>

NOTE 7 - COMPENSATED ABSENCES At June 30, 2007, employees of the Housing Authority have accumulated and vested \$44,534 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made. Following is a summary of the compensated absence transactions for the year.

Balance at beginning of year	\$ 40,984
Additions	4,003
Deductions	453
Balance at end of year	<u>\$ 44,534</u>
Amount Due in one year	<u>\$ 13,006</u>

NOTE 8 - CHANGES IN AGENCY DEPOSITS DUE OTHERS A summary of changes in the agency funds follows:

	Webster Parish Literacy	FAME Resident Council	Total
Balance, beginning	\$ 6,546	\$ 1,072	\$ 7,618
Additions	3	1,800	1,803
Deductions	0	986	986
Balance, ending	<u>\$ 6,549</u>	<u>\$ 1,886</u>	<u>\$ 8,435</u>

NOTE 9 - INTERFUND TRANSACTIONS

Interfund receivables/payables at June 30, 2007, are as follows:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
General Fund	Tenant Based Section 8	\$ 9,506
	Management Fees	2,571
		<u>\$12,077</u>

The interfund receivables/payables assist programs to cover cost until grant monies are received.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Construction Projects There are certain major construction projects in progress at June 30, 2007. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Grant Disallowances The Housing Authority participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority

Housing Authority of the City of Minden
Notes to the Basic Financial Statements

management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Litigation The Housing Authority is not presently involved in any litigation.

NOTE 11 - RISK MANAGEMENT The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance through the Louisiana Housing Council Authorities Group Self-Insurance Trust. This self-insurance program is a public entity risk pool which has been approved by both the State of Louisiana Insurance Commission and the Department of Housing and Urban Development. The Trust operates as any other commercial insurance company. Five insurance companies currently share the excess coverage insurance. No additional assessments can be made against the Housing Authority. The Housing Authority is responsible only for the premium payments.

NOTE 12 - ECONOMIC DEPENDENCE Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in the financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$1,357,973 to the Housing Authority, which represents approximately 72% of the Housing Authority's total revenue for the year.

Housing Authority of the City of Minden

Supplemental Information

Housing Authority of the City of Minden

**COMPENSATION PAID BOARD MEMBERS
For the Year Ended June 30, 3007**

Larry Johnson, Chairman	\$ 3,200
Dr. Gary Daniel, Vice Chairman	3,600
Truvesta Johnson	3,600
Eugene Martin	3,300
Angela Willis	<u>3,100</u>
	<u>\$ 16,800</u>

HOUSING AUTHORITY OF THE CITY OF MINDEN

**ACTUAL MODERNIZATION
COST CERTIFICATE
June 30, 2007**

1. The actual Capital Fund program costs is as follows:

	PROJECT <u>LA48P037501-04</u>
Funds Approved	\$ 393,579
Funds Expended	<u>393,579</u>
Excess of Funds Approved	<u>0</u>
 Funds Advanced	 393,579
Funds Expended	<u>393,579</u>
Excess of Funds Advanced	<u>\$ 0</u>

2. The distribution of costs by project as shown on the final schedule of Capital Fund program expenditures dated October 2, 2006 accompanying the actual Capital Fund program cost certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All Capital Fund program costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE CITY OF MINDEN

ACTUAL MODERNIZATION
COST CERTIFICATE
June 30, 2007

1. The actual Capital Fund program costs is as follows:

	PROJECT <u>LA48P037501-05</u>
Funds Approved	\$ 375,626
Funds Expended	<u>375,626</u>
Excess of Funds Approved	<u>0</u>
 Funds Advanced	 375,626
Funds Expended	<u>375,626</u>
Excess of Funds Advanced	\$ <u>0</u>

2. The distribution of costs by project as shown on the final schedule of Capital Fund program expenditures dated February 9, 2007 accompanying the actual Capital Fund program cost certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All Capital Fund program costs have been paid and all related liabilities have been discharged through payment.

**HOUSING AUTHORITY OF THE CITY OF MINDEN
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007**

PHA: LA037 FYED: 06/30/2007

Line Item No.	Account Description	Business Activities	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Fiduciary	Total
111	Cash - Unrestricted	\$142,500	\$460,121	\$265,848	\$0	\$8,435	\$876,904
114	Cash - Tenant Security Deposits	\$0	\$22,775	\$0	\$0	\$0	\$22,775
100	Total Cash	\$142,500	\$482,896	\$265,848	\$0	\$8,435	\$899,679
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$0	\$352	\$0	\$352
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$49,905	\$0	\$0	\$0	\$49,905
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	(\$45,632)	\$0	\$0	\$0	(\$45,632)
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0
128.1	Allowance for Doubtful Accounts - Fraud	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$533	\$506	\$0	\$0	\$1,039
	Total Receivables, net of allowances for doubtful						
120	accounts	\$0	\$4,806	\$506	\$352	\$0	\$5,664
131	Investments - Unrestricted	\$0	\$222,095	\$38,045	\$0	\$0	\$260,140
142	Prepaid Expenses and Other Assets	\$0	\$58,154	\$0	\$0	\$0	\$58,154
143	Inventories	\$0	\$14,847	\$0	\$0	\$0	\$14,847
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$12,429	\$0	\$0	\$0	\$12,429
150	Total Current Assets	\$142,500	\$795,227	\$304,399	\$352	\$8,435	\$1,250,913
161	Land	\$0	\$155,540	\$0	\$0	\$0	\$155,540
162	Buildings	\$0	\$11,891,304	\$0	\$0	\$0	\$11,891,304
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$378,665	\$0	\$0	\$0	\$378,665
	Furniture, Equipment & Machinery -						
164	Administration	\$0	\$324,891	\$63,309	\$0	\$0	\$388,200
165	Leasehold Improvements	\$0	\$0	\$0	\$0	\$0	\$0
166	Accumulated Depreciation	\$0	(\$8,463,967)	(\$38,156)	\$0	\$0	(\$8,502,123)
167	Construction In Progress	\$0	\$0	\$0	\$335,401	\$0	\$335,401
	Total Fixed Assets, Net of Accumulated						
160	Depreciation	\$0	\$4,286,433	\$25,153	\$335,401	\$0	\$4,646,987
180	Total Non-Current Assets	\$0	\$4,286,433	\$25,153	\$335,401	\$0	\$4,646,987
190	Total Assets	\$142,500	\$5,081,660	\$329,552	\$335,753	\$8,435	\$5,897,900

**HOUSING AUTHORITY OF THE CITY OF MINDEN
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007**

PHA: LA037 FYED: 06/30/2007

Line Item No.	Account Description	Business Activities	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Fiduciary	Total
312	Accounts Payable <= 90 Days	\$0	\$37,177	\$1,635	\$0	\$0	\$38,812
321	Accrued Wage/Payroll Taxes Payable	\$0	\$4,597	\$256	\$0	\$0	\$4,853
322	Accrued Compensated Absences - Current Portion	\$0	\$13,006	\$0	\$0	\$0	\$13,006
341	Tenant Security Deposits	\$0	\$22,775	\$0	\$0	\$0	\$22,775
342	Deferred Revenues	\$0	\$1,438	\$0	\$0	\$0	\$1,438
345	Other Current Liabilities	\$0	\$6,838	\$0	\$0	\$0	\$6,838
347	Interprogram Due To	\$2,571	\$0	\$9,506	\$352	\$0	\$12,429
310	Total Current Liabilities	\$2,571	\$85,831	\$11,397	\$352	\$0	\$100,151
354	Accrued Compensated Absences - Non Current	\$0	\$27,418	\$4,110	\$0	\$0	\$31,528
353	Noncurrent Liabilities - Other	\$0	\$0	\$4,291	\$0	\$8,435	\$12,726
350	Total Noncurrent Liabilities	\$0	\$27,418	\$8,401	\$0	\$8,435	\$44,254
300	Total Liabilities	\$2,571	\$113,249	\$19,798	\$352	\$8,435	\$144,405
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$4,286,433	\$25,153	\$335,401	\$0	\$4,646,987
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$139,929	\$681,978	\$284,601	\$0	\$0	\$1,106,508
513	Total Equity/Net Assets	\$139,929	\$4,968,411	\$309,754	\$335,401	\$0	\$5,753,495
600	Total Liabilities and Equity/Net Assets	\$142,500	\$5,081,660	\$329,552	\$335,753	\$8,435	\$5,897,900

**HOUSING AUTHORITY OF THE CITY OF MINDEN
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007**

PHA: LA037 FYED: 06/30/2007

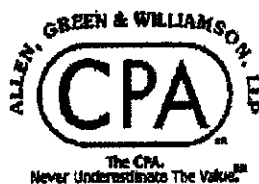
Line Item No.	Account Description	Business Activities	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Fiduciary	Total
703	Net Tenant Rental Revenue	\$0	\$380,348	\$0	\$0	\$0	\$380,348
705	Total Tenant Revenue	\$0	\$380,348	\$0	\$0	\$0	\$380,348
706	HUD PHA Operating Grants	\$0	\$402,359	\$526,847	\$0	\$0	\$929,206
706.1	Capital Grants	\$0	\$0	\$0	\$428,767	\$0	\$428,767
711	Investment Income - Unrestricted	\$61	\$9,657	\$2,224	\$0	\$0	\$11,942
713.1	Cost of Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0
715	Other Revenue	\$62,999	\$72,221	\$4,249	\$0	\$0	\$139,469
716	Gain/Loss on Sale of Fixed Assets	\$0	\$0	\$6,419	\$0	\$0	\$6,419
700	Total Revenue	\$63,060	\$864,585	\$539,739	\$428,767	\$0	\$1,896,151
911	Administrative Salaries	\$9,493	\$134,787	\$34,660	\$0	\$0	\$178,940
912	Auditing Fees	\$0	\$9,022	\$4,858	\$0	\$0	\$13,880
914	Compensated Absences	\$0	\$3,409	\$536	\$0	\$0	\$3,945
915	Employee Benefit Contributions - Administrative	\$451	\$45,089	\$8,159	\$0	\$0	\$53,699
916	Other Operating - Administrative	\$36,804	\$78,253	\$21,706	\$0	\$0	\$136,763
924	Tenant Services - Other	\$0	\$1,876	\$0	\$0	\$0	\$1,876
931	Water	\$0	\$43,637	\$0	\$0	\$0	\$43,637
932	Electricity	\$0	\$11,861	\$0	\$0	\$0	\$11,861
933	Gas	\$0	\$3,142	\$0	\$0	\$0	\$3,142
938	Other Utilities Expense	\$0	\$1,257	\$0	\$0	\$0	\$1,257
941	Ordinary Maintenance and Operations - Labor	\$0	\$206,451	\$0	\$0	\$0	\$206,451
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$20,516	\$0	\$0	\$0	\$20,516
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$27,659	\$0	\$0	\$0	\$27,659
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$74,344	\$0	\$0	\$0	\$74,344
961	Insurance Premiums	\$0	\$88,472	\$129	\$0	\$0	\$88,601
962	Other General Expenses	\$0	\$0	\$214	\$0	\$0	\$214
963	Payments in Lieu of Taxes	\$0	\$6,793	\$0	\$0	\$0	\$6,793
964	Bad Debt - Tenant Rents	\$0	\$21,347	\$0	\$0	\$0	\$21,347
969	Total Operating Expenses	\$46,748	\$777,915	\$70,262	\$0	\$0	\$894,925

**HOUSING AUTHORITY OF THE CITY OF MINDEN
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2007**

PHA: LA037 FYED: 06/30/2007

Line Item No.	Account Description	Business Activities	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Fiduciary	Total
	Excess Operating Revenue over Operating						
970	Expenses	\$16,312	\$86,670	\$469,477	\$428,767	\$0	\$1,001,226
971	Extraordinary Maintenance	\$0	\$89,386	\$0	\$0	\$0	\$89,386
973	Housing Assistance Payments	\$0	\$0	\$384,617	\$0	\$0	\$384,617
974	Depreciation Expense	\$0	\$390,709	\$5,158	\$0	\$0	\$395,867
900	Total Expenses	\$46,748	\$1,258,010	\$460,037	\$0	\$0	\$1,764,795
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0
	Excess (Deficiency) of Total Revenue Over						
1000	(Under) Total Expenses	\$16,312	(\$393,425)	\$79,702	\$428,767	\$0	\$131,356
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$123,617	\$4,601,594	\$230,052	\$666,876	\$0	\$5,622,139
	Prior Period Adjustments, Equity Transfers and						
1104	Correction of Errors	\$0	\$760,242	\$0	(\$760,242)	\$0	\$0
1120	Unit Months Available	0	2,964	1,644	0	0	4,608
1121	Number of Unit Months Leased	0	2,738	1,450	0	0	4,188
1117	Administrative Fee Equity	\$0	\$0	\$222,593	\$0	\$0	\$222,593
1118	Housing Assistance Payments Equity	\$0	\$0	\$87,161	\$0	\$0	\$87,161

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS AND
BY OFFICE OF MANAGEMENT AND BUDGET
(OMB) CIRCULAR A-133**



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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Commissioners
Housing Authority of the City of Minden
Minden, Louisiana

We have audited the financial statements of each major fund, and the aggregate remaining fund information of the Housing Authority of the City of Minden as of and for the year ended June 30, 2007, which collectively comprise the Housing Authority's basic financial statements and have issued our report thereon dated December 31, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

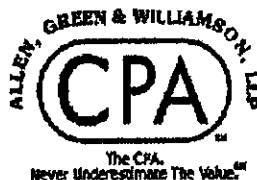
As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board, management, and the federal awarding agency and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2007



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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board of Commissioners
Housing Authority of the City of Minden
Minden, Louisiana

Compliance

We have audited the compliance of the Housing Authority of the City of Minden with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on the Housing Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority's compliance with those requirements.

In our opinion, the Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as item numbers 07-F1, 07-F2, and 07-F3.

Internal Control Over Compliance

The management of the Housing Authority is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 07-F1, 07-F2, and 07-F3 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The Housing Authority's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Housing Authority's response and, accordingly we express an opinion on it.

This report is intended solely for the information and use of the Board, management, and the federal awarding agency, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 31, 2007

**Housing Authority of the City of Minden
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	CFDA Number	Pass-Through Grantor No.	Expenditures
United States Department of Housing and Urban Development			
Direct Programs			
Public and Indian Housing			
Operating Subsidy	14.850	FW2026	\$ 402,359
Section 8 Housing Choice Vouchers	14.871	FW2026	526,847
Public Housing Capital Fund Program	14.872	FW2026	428,767
Total			<u>\$ 1,357,973</u>

Housing Authority of the City of Minden
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2007

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority. The Housing Authority reporting entity is defined in Note 1 to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the Housing Authority's basic financial statements.

NOTE 3 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

Nonoperating revenues	
Federal grants	\$ 929,206
Capital Contributions	<u>428,767</u>
Total	<u>\$ 1,357,973</u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - FEDERAL AWARDS For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures. In accordance with HUD Notice PIH 98-14, "federal awards" do not include the Housing Authority operating income from rents or investments (or other non-federal sources). In addition, the entire amount of operating subsidy received during the fiscal year is considered to be "expended" during the fiscal year.

**Housing Authority of the City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007**

PART I- Summary of the Auditors' Results

Financial statement audit

- i. The type of audit report issued was unqualified.
- ii. There were no significant deficiencies required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the *Government Auditing Standards*, to the financial statements.

Audit of federal awards

- iv. There were three significant deficiencies required to be disclosed by OMB Circular No. A-133.

The significant deficiencies disclosed were not considered to be material weaknesses.
- v. The type of report the auditor issued on compliance for major programs was unqualified.
- vi. The audit disclosed three audit findings which the auditor is required to report under OMB Circular A-133, Section .510(a).
- vii. The major federal programs are:

CFDA # 14.850	Public and Indian Housing Operating Subsidy
CFDA # 14.871	Section 8 Housing Choice Vouchers
- viii. The dollar threshold used to distinguish between Type A and Type B programs as described in OMB Circular A-133, Section .520(b) was \$300,000.
- ix. The auditee does qualify as a low-risk auditee under OMB Circular A-133, Section .530.

**Housing Authority of the City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007**

PART III – Findings and questioned costs for federal awards which are required to be reported under OMB Circular No. A-133 Section .510(a):

Reference # and title: **07-F1** **Test of Tenant Files**

Entity-wide or program/department specific: This finding relates to Section 8 Housing Choice Vouchers, CFDA # 14.871 for the grant year 2007.

Criteria or specific requirement: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the HAP payment. The Housing Authority must also determine income eligibility and calculate the tenant's rent payment. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The resident files must contain the form 50058 as well as the following pertinent information: social security numbers, birth certificates (or valid documentation of birth dates), and third party verification of income.

Condition found: In testing fourteen resident files, the following exceptions were noted:

- 1 instance noted where wage source was miscoded on the 50058
- 1 instance noted where the Social Security number is incorrect on the 50058
- 1 instance noted where third-party income verification was not obtained.

Possible asserted effect (cause and effect):

Cause: The Housing Authority's errors appear to be keypunch errors and lack of proper documentation.

Effect: Some resident files do not meet federal guidelines.

Recommendations to prevent future occurrences: The Housing Authority should establish monitoring procedures to ensure that information in resident files is adequate and agrees to form 50058.

Reference # and title: **07-F2** **Test of Tenant Files**

Entity-wide or program/department specific: This finding relates to Public and Indian Housing program, CFDA# 14.850 for the grant year 2007.

Criteria or specific requirement: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the rent charges. The Housing Authority must also determine income eligibility and calculate the tenant's rent payment. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The resident files must contain the form 50058 as well as the following pertinent information: social security numbers, birth certificates (or valid documentation of birth dates), and third party verification of income.

**Housing Authority of the City of Minden
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2007**

Condition found: In testing twenty resident files, the following exceptions were noted:

- 1 instance noted where the social security number does not agree
- 1 instance noted where the proof of birth and social security number was not in the file
- 4 instances noted where the name is misspelled on the 50058
- 3 instances noted where the birth date does not agree to supporting documentation
- 1 instance noted where the food stamp income on 50058 did not agree to support
- 2 instances noted where the income was not calculated correctly.

Possible asserted effect (cause and effect):

Cause: The Housing Authority's errors appear to be keypunch errors, lack of adequate documentation and miscalculations.

Effect: Some resident files do not meet federal guidelines.

Recommendations to prevent future occurrences: The Housing Authority should establish monitoring procedures to ensure that information in resident files is adequate, agrees to form 50058, and that income calculation is correct.

Reference # and title: 07-F3 Management Assessment Subsystem (MASS) Submission

Federal program & specific federal award identification: This finding relates to the Public and Indian Housing program, CFDA #14.850 for 2007 Award Year.

Criteria or specific requirement: The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC). The critical information submitted reflects the unit turnaround, work orders, annual inspections, and security.

Condition found: The MASS information submitted to REAC was reviewed along with supporting documentation. The documentation provided for the unit turnaround and annual inspections did not agree to the information submitted. When testing work order supporting documentation, it was noted that the work order completion times reflected on the actual work order did not agree to information on the work order system report.

Possible asserted effect (cause and effect):

Cause: The auditor was unable to determine the cause.

Effect: The Housing Authority submitted information to REAC that may result in an inaccurate score on the MASS.

Recommendations to prevent future occurrences: The Housing Authority should review all supporting documentation before submitting information to REAC to ensure that the data is accurate. The Housing Authority should establish procedures to ensure that system generated reports reflect the same information shown on the actual documentation.

Housing Authority of the City of Minden

Other Information

The information in the following section concerns management's actions or intentions concerning prior- and current-year audit findings and is required by U. S. Office of Management and Budget (OMB) Circular A-133. This information has been prepared by the management of the Housing Authority. Management accepts full responsibility, as required by OMB Circular A-133, for the accuracy of the information. This information has not been audited by the auditors except as required by OMB Circular A-133 Section 500(e), and accordingly, no opinion is expressed. Section 500(e) requires the auditor to follow up on prior audit findings, perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings prepared by the auditee, and report, as a current-year audit finding when the auditor concludes that the Summary Schedule of Prior Audit Findings materially misrepresents the status of any prior audit finding.

**Housing Authority of the City of Minden
Summary of Prior Audit Findings
June 30, 2007**

Reference # and title: **06-F1** **Test of Tenant Files**

Origination date: June 30, 2006.

Condition found: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the HAP payment. The Housing Authority must also determine income eligibility and calculate the tenant's rent payment. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The resident files must contain the form 50058 as well as the following pertinent information: social security numbers, birth certificates (or valid documentation of birth dates), and third party verification of income.

In testing resident files, the following exceptions were noted:

- 2 instances where total wages were calculated incorrectly
- 1 instance noted where the name is misspelled on the 50058
- 1 instance noted where the Social Security number is incorrect on the 50058
- 1 instance noted where birth date is incorrect on the 50058
- 1 instance noted where the re-inspection was not performed
- 1 instance noted where repairs were to be completed and the inspection says it passed.

Corrective action taken: This item has not been cleared; see finding 07-F1.

Reference # and title: **06-F2** **Test of Tenant Files**

Origination date: June 30, 2005.

Condition found: The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority completes an admission, annual re-examination, interim re-examination, portability move in, or other change of unit for a family. The resident files must contain form 50058 as well as the following pertinent information: date of birth, social security numbers, and third party verification of income.

In testing 20 resident files, the following exceptions were noted:

- 3 instances noted where the social security number does not agree
- 3 instances noted where the proof of birth is not in the file
- 2 instances noted where the proof of social security number was not in the file
- 1 instance noted where the birth date does not agree
- 1 instance noted where the name is misspelled.

Corrective action taken: This finding has not been cleared; see finding 07-F2.

**Housing Authority of the City of Minden
Summary of Prior Audit Findings
June 30, 2007**

Reference # and title: **06-F3** **Test of Disbursements Other than Payroll**

Origination date: June 30, 2006.

Condition found: The basic guidelines affecting allowability of costs are identified in A-87, Attachment A, paragraph C. To be allowable under federal awards, costs must be necessary and reasonable, be allocable to federal awards, be authorized or not prohibited under state and local laws, conform to any limitations or exclusions set forth in A-87, Federal laws, terms and conditions of the award, be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the governmental unit, be accorded consistent treatment with GAAP, not used in cost sharing or matching with other federal funds, net of all applicable credits, and be adequately documented.

In testing 48 disbursements, the following exceptions were noted:

2 instances noted where there was no supporting documentation for the disbursement

Corrective action taken: This finding has been cleared.

Reference # and title: **06-F4** **Tenant Participation Funds**

Origination date: June 30, 2006.

Condition found: When tenant participation funds are provided to the Housing Authority, the Housing Authority must provide those funds to duly elected resident councils. Funding provided by a Housing Authority to a duly elected resident council may be made only under a written agreement between the Housing Authority and the resident council that includes a resident council budget. Housing Authorities are permitted to fund \$25 per unit per year for units represented by duly elected resident councils for resident services. Of this \$25, \$15 per unit per year is provided to fund tenant participation activities. The agreement must require the local resident council to account to the Housing Authority for the use of the funds and permit the Housing Authority to audit the resident council's financial records related to the agreement.

The Housing Authority is receiving funding for the resident council, but there is no written agreement between the Housing Authority and the resident council, no budget, no written policy in place, no allocation to the resident council for full amount provided, and no receipts to backup money spent from the amount provided.

Corrective action taken: The Housing Authority has established an agreement and budget for the resident council. Therefore, this finding has been cleared.

**Housing Authority of the City of Minden
Corrective Action Plan for Auditor's Current Year Findings
June 30, 2007**

Reference # and title: **07-F1** **Test of Tenant Files**

Entity-wide or program/department specific: This finding relates to Section 8 Housing Choice Vouchers, CFDA # 14.871 for the grant year 2007.

Condition found: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the HAP payment. The Housing Authority must also determine income eligibility and calculate the tenant's rent payment. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The resident files must contain the form 50058 as well as the following pertinent information: social security numbers, birth certificates (or valid documentation of birth dates), and third party verification of income. In testing fourteen resident files, the following exceptions were noted:

- 1 instance noted where wage source was miscoded on the 50058
- 1 instance noted where the Social Security number is incorrect on the 50058
- 1 instance noted where third-party income verification was not obtained.

Corrective action planned: Tenant files are to be rechecked to ensure form 50058's entries are correct.

Contact person responsible for corrective action:

Reese Hood, Executive Director	Telephone: (318) 377-1077
Housing Authority of the City of Minden	Fax: (318) 377-6252
1209 East Street	
Minden, Louisiana 71055	

Anticipated completion date: February 1, 2008.

Reference # and title: **07-F2** **Test of Tenant Files**

Entity-wide or program/department specific: This finding relates to Public and Indian Housing program, CFDA# 14.850 for the grant year 2007.

Condition found: The Housing Authority must re-examine family income and composition at least once every 12 months and adjust the rent charges. The Housing Authority must also determine income eligibility and calculate the tenant's rent payment. The Housing Authority is required to submit form 50058 electronically to HUD each time the Housing Authority has an admission or re-examination. The resident files must contain the form 50058 as well as the following pertinent information: social security numbers, birth certificates (or valid documentation of birth dates), and third party verification of income. In testing twenty resident files, the following exceptions were noted:

- 1 instance noted where the social security number does not agree
- 1 instance noted where the proof of birth and social security number was not in the file
- 4 instances noted where the name is misspelled on the 50058
- 3 instances noted where the birth date does not agree supporting documentation
- 1 instance noted where the food stamp income on 50058 did not agree to support
- 2 instances noted where the income was not calculated correctly.

Corrective action planned: With the new PIC system we are able to monitor Social Security, date of births, etc. much better in the future.

**Housing Authority of the City of Minden
Corrective Action Plan for Auditor's Current Year Findings
June 30, 2007**

Contact person responsible for corrective action:

Reese Hood, Executive Director	Telephone: (318) 377-1077
Housing Authority of the City of Minden	Fax: (318) 377-6252
1209 East Street	
Minden, Louisiana 71055	

Anticipated completion date: February 1, 2008.

Reference # and title: **07-F3** **Management Assessment Subsystem (MASS) Submission**

Entity-wide or program/department specific: This finding relates to Public and Indian Housing program, CFDA# 14.850 for the grant year 2007.

Condition found: The Housing Authority is required to electronically submit the Management Assessment Subsystem (MASS) to the Real Estate Assessment Center (REAC). The critical information submitted reflects the unit turnaround, work orders, annual inspections, and security. The MASS information submitted to REAC was reviewed along with supporting documentation. The documentation provided for the unit turnaround and annual inspections did not agree to the information submitted. When testing work order supporting documentation, it was noted that the work order completion times reflected on the actual work order did not agree to information on the work order system report.

Corrective action planned: Now that we are receiving a much better computer report and also understanding how the information is to be sent to MASS in the form this should not happen again.

Contact person responsible for corrective action:

Reese Hood, Executive Director	Telephone: (318) 377-1077
Housing Authority of the City of Minden	Fax: (318) 377-6252
1209 East Street	
Minden, Louisiana 71055	

Anticipated completion date: February 1, 2008.

**Housing Authority of the City of Minden
Status of Prior Management Letter Item
June 30, 2007**

06-M1

Vendor Disbursements

Comment: The Housing Authority had three exceptions noted where 1099's were not sent to vendors.

Recommendation: The Housing Authority should establish procedures to ensure all applicable vendors receive 1099's.

Management's response: This item has been cleared.